

RESOLUTION NO. 2414

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND DECLARING THAT DEVRECO, LLC IS ELIGIBLE TO RECEIVE ENTERPRISE ZONE BENEFITS FOR PROPERTY LOCATED AT 115 SOUTH DIVISION STREET, SALISBURY MD.

WHEREAS the City of Salisbury, Maryland and Wicomico County created an Enterprise Zone on June 6, 1983 for the purpose of encouraging economic development of the area encompassed within the boundaries of such zone; and

WHEREAS the Enterprise Zone was created under authority granted by the State of Maryland; and

WHEREAS the State Code permits certain benefits to be extended to businesses that locate or expand in the Enterprise Zone provided that they meet certain standards; and

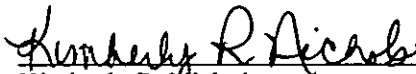
WHEREAS, the City of Salisbury and Wicomico County have also established certain standards, which must be met in order for a business to be deemed eligible to receive Enterprise Zone benefits; and

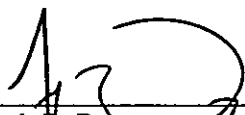
WHEREAS, Devreco, LLC meets the standards set forth in the State Code and in local regulations to be eligible to receive Enterprise Zone benefits; and

WHEREAS, Joey Gilkerson, representing Devreco, LLC has requested that the company be designated as eligible for Enterprise Zone benefits because of its investment of more than \$50,000 at their property located in the zone at 115 South Division Street;

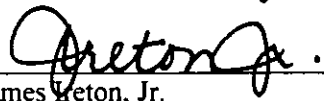
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salisbury, Maryland that Devreco, LLC be designated as eligible to receive the benefits of the Enterprise Zone effective upon the adoption of this resolution.

The above Resolution was introduced and read and passed at the regular meeting of the Salisbury City Council on the 14 day of July, 2014.

  
\_\_\_\_\_  
Kimberly R. Nichols  
CITY CLERK

  
\_\_\_\_\_  
Jacob R. Day  
PRESIDENT, City Council

APPROVED by me this  
15<sup>th</sup> day of July 2014.

  
\_\_\_\_\_  
James Meton, Jr.  
MAYOR, City of Salisbury

---


**INTER**

**OFFICE**

---

# MEMO

## Office of the Mayor

**To:** City Council  
**From:** Tom Stevenson   
**Subject:** Enterprise Zone Eligibility – Devreco, LLC – 115 South Division Street  
**Date:** July 8, 2014

Attached is a copy of the application requesting Enterprise Zone designation for Devreco from Joey Gilkerson. I have reviewed this application and, to the best of my knowledge, this establishment meets all of the qualifications to be so designated. This property is located within the boundaries of the City's Enterprise Zone, and this company has invested more than \$50,000 in the property.

I recommend that the City Council adopt the attached resolution designating Devreco located at 115 South Division Street, eligible to receive the benefits of the Enterprise Zone.

The Mayor concurs with this recommendation.

As a reminder, companies that are declared eligible for enterprise zone benefits are able to receive both income tax and property tax benefits for ten years. The purpose of this program is to encourage industries to locate in areas identified as enterprise zones and to reinvest in such properties.

cc: Mayor Ireton  
Kim Nichols

Attachments

REQUEST FOR STATE ENTERPRISE ZONE QUALIFICATION  
IN THE CITY OF SALISBURY

This application allows us to determine whether or not your business is eligible to receive Enterprise Zone benefits. Please return the application to:

M. Thomas Stevenson, Jr., Interim City Administrator  
City of Salisbury  
125 North Division Street  
Salisbury, MD 21801-4940

If determined eligible, you will receive a letter confirming this determination from the City of Salisbury. Keep the letter as proof of your Enterprise Zone certification.

GENERAL INFORMATION NEEDED:

NAME OF FIRM:

Devreco, LLC

CONTACT PERSON:

Joey Gilkerson

PHONE:

443-840-6055

~~PRESENT~~

LOCATION:

115 S. Division St. Salisbury, MD

TYPE OF BUSINESS:

Venue/Community Space

FEDERAL TAX ID NO.

46-399412

NAICS CODE:

HOW LONG IN THIS LOCATION:

OWNER OF REAL PROPERTY WHERE BUSINESS IS

LOCATED:

Devreco, LLC

ADDRESS OF OWNER: 118 N. Division Salisbury, MD

OUR COMPANY QUALIFIES FOR ENTERPRISE ZONE BENEFITS BECAUSE (CHECK ALL THAT APPLY):

- WE HAVE CREATED MORE THAN TWO FULL-TIME POSITIONS SINCE LOCATING IN THE ENTERPRISE ZONE\*.  
\* (EMPLOYEES WORKING IN EXCESS OF 35 HOURS PER WEEK ON AVERAGE ARE CONSIDERED FULL TIME.)
- WE HAVE INVESTED MORE THAN \$50,000 IN OUR PROPERTY LOCATED IN THE ENTERPRISE ZONE.

IF COMPANY QUALIFIES FOR ENTERPRISE ZONE BENEFITS DUE TO JOB CREATION, PLEASE COMPLETE THE FOLLOWING:

DATE COMPANY LOCATED IN THE ENTERPRISE ZONE: \_\_\_\_\_

NUMBER OF FULL-TIME EMPLOYEES EMPLOYED AT THIS LOCATION ON THE DATE COMPANY LOCATED IN THE ENTERPRISE ZONE: \_\_\_\_\_  
(Please provide a list of names of the employees hired into new positions since the company located in the Enterprise Zone.)

CURRENT NUMBER OF FULL-TIME EMPLOYEES EMPLOYED AT THIS LOCATION: \_\_\_\_\_

IF COMPANY QUALIFIES FOR ENTERPRISE ZONE BENEFITS DUE TO INVESTMENT IN THE PROPERTY, PLEASE COMPLETE THE FOLLOWING:

APPROXIMATE DATE ON WHICH IMPROVEMENTS WERE COMPLETED:  
Still under Construction

BRIEFLY DESCRIBE IMPROVEMENTS: PHASE 1: Upgrade Electric, Plumbing, HVAC, as well as fire separation between floors (incl. sprinklers) and minor exterior improvements.

APPROXIMATE COST OF IMPROVEMENTS: \$350,000

**Enterprise Zone Property Tax Calculation  
Devreco, LLC**

<b>Assessment Value of Improvement</b>	<b>\$350,000.00</b>	<b>Property Tax Rate</b>	<b>\$0.937</b>
<b>Per \$100</b>	<b>\$3,500.00</b>		
<b>Annual Tax</b>	<b>\$3,279.50</b>		

<u>Year</u>	<u>Total City Property Tax</u>	<u>E-Zone Credit</u>	<u>Refunded By State</u>	<u>Taxes Paid To City</u>	<u>Taxes Not Received By City</u>	<u>Total Revenue To City</u>
Year 1	\$3,279.50	\$2,623.60	\$1,311.80	\$655.90	\$1,311.80	\$1,967.70
Year 2	\$3,279.50	\$2,623.60	\$1,311.80	\$655.90	\$1,311.80	\$1,967.70
Year 3	\$3,279.50	\$2,623.60	\$1,311.80	\$655.90	\$1,311.80	\$1,967.70
Year 4	\$3,279.50	\$2,623.60	\$1,311.80	\$655.90	\$1,311.80	\$1,967.70
Year 5	\$3,279.50	\$2,623.60	\$1,311.80	\$655.90	\$1,311.80	\$1,967.70
Year 6	\$3,279.50	\$2,295.65	\$1,147.83	\$983.85	\$1,147.83	\$2,131.68
Year 7	\$3,279.50	\$1,967.70	\$983.85	\$1,311.80	\$983.85	\$2,295.65
Year 8	\$3,279.50	\$1,639.75	\$819.88	\$1,639.75	\$819.88	\$2,459.63
Year 9	\$3,279.50	\$1,311.80	\$655.90	\$1,967.70	\$655.90	\$2,623.60
Year 10	\$3,279.50	\$983.85	\$491.93	\$2,295.65	\$491.93	\$2,787.58
<b>Total</b>	<b>\$32,795.00</b>	<b>\$21,316.75</b>	<b>\$10,658.38</b>	<b>\$11,478.25</b>	<b>\$10,658.38</b>	<b>\$22,136.63</b>